

VZCZCXRO6709
RR RUEHFK RUEHGH RUEHKSO RUEHNH
DE RUEHKO #3680/01 2220638
ZNY CCCCC ZZH
R 100638Z AUG 07
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC 6337
INFO RUEHBJ/AMEMBASSY BEIJING 8307
RUEHUL/AMEMBASSY SEOUL 4372
RUEHFK/AMCONSUL FUKUOKA 2491
RUEHHK/AMCONSUL HONG KONG 6282
RUEHNH/AMCONSUL NAHA 4918
RUEHOK/AMCONSUL OSAKA KOBE 6092
RUEHKSO/AMCONSUL SAPPORO 3260
RUEHGH/AMCONSUL SHANGHAI 0201
RUEHIN/AIT TAIPEI 6577

C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 003680

SIPDIS

SIPDIS

E.O. 12958: DECL: 08/09/2027

TAGS: [PGOV](#) [PREL](#) [ECON](#) [JA](#)

SUBJECT: LDP DIET MEMBERS VOICE FRUSTRATION, CONCERN OVER
ELECTION RESULTS

Classified By: Amb. J. Thomas Schieffer. Reason: 1.5 (b,d)

11. (C) Summary: In a series of meetings August 6 with former U.S. Speaker of the House J. Dennis Hastert, senior Japanese Liberal Democratic Party (LDP) Diet members stressed that the victory of the opposition parties in the recent Upper House election would substantially complicate and slow the legislative process. LDP Acting Secretary General Nobuteru Ishihara said the election loss had created a "power vacuum" at the top of the LDP, and former Education Minister Kenji Kosaka criticized Prime Minister Abe for seeming to ignore voter dissatisfaction. Cabinet Office Vice Minister Hideaki Ohmura indicated the scandal over lost pension records had also hurt the LDP with aging voters. Lower House Speaker Yohei Kono expressed the hope that parliamentary exchanges between the U.S. Congress and the Japanese Diet would continue despite political changes in both countries. End summary.

LDP Acting Secretary General Nobuteru Ishihara

12. (C) LDP Acting Secretary General Nobuteru Ishihara, meeting with Representative Hastert on August 6, characterized the current situation in the LDP as a "power vacuum." Even though the LDP's massive majority in the Diet's Lower House ensured that the cabinet would remain in the hands of the LDP and that Prime Minister Abe would continue in office -- a decision Ishihara endorsed -- all the other members of the LDP executive have said they would resign as a result of the party's loss in the July 29 Upper House election. Consequently, the party structure under Abe is weak. Ishihara hoped that Abe would quickly reorganize the cabinet and select a new LDP leadership team.

13. (C) The Democratic Party of Japan's control of the agenda in the Upper House would also create unprecedented problems for the LDP, Ishihara said. The biggest impact of this change for the United States, he noted, was the DPJ's opposition to the antiterrorism special measures bill that needed Diet approval for its renewal before November 1. Ishihara emphasized that that bill was important not only because of its potential impact on relations with the United States but also as a signal to the world about

Japan's intentions in international affairs. According to Ishihara, certain of the DPJ's "defense experts" had been in contact with the LDP, including Chief Cabinet Secretary Shiozaki, with respect to the antiterrorism bill and were looking to change DPJ policy in anticipation of an extraordinary session of the Diet to be held in September.

¶4. (C) Ishihara blamed the series of scandals related to politicians and money as one of the main factors for the LDP's crushing defeat in the Upper House election. He added that he would be working on legislation to address the problem.

PARC Vice Chairman Kenji Kosaka

¶5. (C) LDP Policy Affairs Research Committee (PARC) Vice Chairman Kenji Kosaka, in his August 6 meeting with Rep. Hastert, criticized Prime Minister Abe for letting it be known prior to the July 29 Upper House election that he intended to remain in office even if the LDP was defeated. This stance had contributed to the public perception that Abe does not listen to anyone, including the voting public. Using baseball metaphors, Kosaka said that while the Upper House election had not ended the inning (the LDP in power), it was a sign that the "manager" (the voters) wanted a change of "pitcher" (Abe). Simply changing the Cabinet would not be enough. Abe would at a minimum need to undertake a thorough review of LDP policies as well if he had any hope of staying in power.

Cabinet Office Senior Vice Minister Hideaki Ohmura

TOKYO 00003680 002 OF 002

¶6. (C) Cabinet Office Senior Vice Minister Hideaki Ohmura expressed similar concerns in his meeting with Rep. Hastert over the difficulties in moving legislation through the Diet now that the opposition controlled the Upper House. Much negotiating with the DPJ would be needed for every bill, which would slow the legislative process significantly. Ohmura's main substantive concerns related to dealing with Japan's aging population. He was working on legislation to reduce the cost of drugs and medications in the health care expenses of Japan's elderly, an issue, he indicated, also of interest to the U.S. pharmaceutical industry that wanted faster government approval of imported medicines. He noted that another of the LDP's weaknesses going into the election had been the revelation that the government had lost approximately 50 million pension records, a problem of direct concern to Japan's increasingly numerous retirees.

Lower House Speaker Yohei Kono

¶7. (C) Lower House Speaker Kono queried Rep. Hastert regarding the views of House Speaker Pelosi on maintaining the series of parliamentary exchanges that Hastert had participated in during his tenure as speaker. He showed particular concern for 2008 when Japan will host the conference of speakers from the G-8 countries. Noting that the day of his meeting with Rep. Hastert (August 6) was the anniversary of the bombing of Hiroshima (where Kono had attended a commemoration service earlier in the day), Kono indicated he would like to host the G-8 speakers' conference in that city.

¶8. (C) Kono observed that the numbers of members of Congress visiting Japan had declined substantially even though many Diet members continued to travel to

Washington each year. He raised the possibility of an expanded set of exchanges between the Congress and the Diet. Senator Inoue of Hawaii had mentioned to former Chief Cabinet Secretary Yasuo Fukuda the idea of an exchange involving the U.S. Senate. This proposal had generated some confusion among the Japanese as it was unclear whether the counterpart in this exchange should be the Diet's Upper House, or the Lower House (as Fukuda, who had received the offer is a Lower House member), or some combination of the two. Rep. Hastert voiced his strong support for the various parliamentary exchanges and replied that the limited availability of military aircraft, which members preferred to use for official travel, had contributed to the decline in congressional visits to Japan. He said he would seek to sound out Speaker Pelosi regarding her interest in the exchanges with Japan.

19. (U) Codel Hastert did not have an opportunity to clear this message.
SCHIEFFER